PRESIDIO-PARKS BILL/Minimum Wage, cloture

SUBJECT: Administration of Presidio Properties and other matters . . . H.R. 1296. Daschle motion to close debate on the Kennedy amendment No. 3573.

ACTION: CLOTURE MOTION REJECTED, 55-45

SYNOPSIS: As reported, H.R. 1296, an act to provide for the administration of certain Presidio properties, will create a public trust to manage about 80 percent of the Presidio, a former army post in San Francisco, California, which is now a part of the Golden Gate National Recreation Area.

The Kennedy amendment would increase the minimum wage to \$4.25/hour until July 3, 1996, to \$4.70/hour from July 4, 1996 to July 4, 1997, and to \$5.15/hour thereafter.

On March 26, 1996, Senator Daschle sent to the desk, for himself and others, a motion to close debate on the Kennedy amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to invoke cloture.

The following matters were pending when the cloture vote was held: a Murkowski substitute amendment; a Dole first-degree amendment to the Murkowski amendment; a Dole second-degree substitute amendment to the Dole first-degree amendment; a Kennedy amendment to the underlying bill; a Kerry second-degree substitute amendment to the Kennedy amendment; a Dole motion to commit the bill to the Committee on Finance, with instructions; a Dole substitute amendment to the motion to commit; and a Dole second-degree amendment to the Dole substitute amendment. See vote No. 54 for amendment descriptions.

Those favoring the motion to invoke cloture contended:

The Kennedy amendment has nothing to do with labor unions, or with presidential politics, or with trying to kill the underlying environmental bill, as troubling as one element of that bill may be. All it is about is the right of Americans to be paid a living wage for an honest day's work. If we do not act soon, the minimum wage will reach an all-time low in its purchasing power. The typical

(See other side)

YEAS (55)			NAYS (45)			NOT VOTING (0)	
Republicans	Democrats (47 or 100%)		Republicans (45 or 85%)		Democrats (0 or 0%)	Republicans	Democrats (0)
(8 or 15%)						(0)	
Cohen D'Amato Hatfield Jeffords Roth Santorum Snowe Specter	Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham Harkin Heflin Hollings	Inouye Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone Wyden	Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Coverdell Craig DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg	Hatch Helms Hutchison Inhofe Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Shelby Simpson Smith Stevens Thomas Thompson Thurmond Warner		EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

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minimum wage earner is not a teenager making pocketchange or an entry-level worker, as some may imagine--73 percent are adults. Further, 40 percent of people who receive the minimum wage are sole breadwinners. The typical worker is a woman working full time or part time to support her family. That typical worker is in poverty at the present minimum wage. An increase in the minimum wage is not all that is needed--the earned income credit (EIC) must also be increased in order to raise the income of poor workers. At a time when chief executive officers are making record salaries, and corporations are posting record profits, it is appalling that our Republican colleagues (led by the Majority Leader who formerly strongly supported raising the minimum wage) would so steadfastly oppose allowing honest, hardworking Americans a chance to share in a small part of America's increasing wealth. A recent study by the Rand Corporation confirmed that the rich are getting richer and the poor are getting poorer. We need to reverse this trend by raising the minimum wage. We urge our colleagues to vote in favor of invoking cloture.

Those opposing the motion to invoke cloture contended:

Argument 1:

We have four basic reasons for opposing this motion to close debate on the Kennedy amendment. First, an increase in the minimum wage, if it is considered, should be considered as a free-standing bill rather than as an amendment to this environmental conservation bill. Second, the amendment is a political payoff to the AFL-CIO, which just promised to launch a \$35 million soft-money campaign attacking Republican candidates. Third, and relatedly, our Democratic colleagues' comments during this debate show that they are a lot less interested in passing this proposal than they are in playing presidential politics by making personal attacks against the Majority Leader. Fourth, and most importantly, enacting an increase in the minimum wage would do more harm than good.

On the first reason, all Senators should be in agreement that the minimum-wage issue is large enough to be considered as a free-standing bill, whether they support an increase or not. The issue is important, and if it is considered it should be subject to serious debate and amendment. It definitely should not be presented as a take-it-or-leave-it amendment with minimal debate. Our Democratic colleagues, though, are insisting on exactly that approach because no time has been scheduled to take up this issue. They may insist as much as they wish, but they will not dictate the Senate's schedule. After 40 years of controlling one or both Houses of Congress at the same time, and after having controlled the White House for many of those years as well, Democrats have managed to amass an enormous debt and to make a horrible mess out of the Federal Government. Now that we Republicans control both Houses of Congress we have an awful lot to fix. We have numerous reforms that we wish to enact, and that we were elected to enact. We were not elected to pursue a left-over item from the Democrat's agenda that Democrats could not even bother themselves to bring up last Congress, when they controlled both Houses of Congress and the presidency.

This left-over item was propelled to the floor all of a sudden by the AFL-CIO's decision this week to announce that it was launching a \$35 million, soft-money campaign to defeat Republican candidates. With that promise in hand, Democrats rushed to the floor to propose the Kennedy and Kerry amendments on the minimum wage, which is a pet union issue. The Presidio bill just happened to be on the floor at the time, to the great misfortune of the millions of Americans in the 26 States that would directly benefit from the parks measures in the bill. Our colleagues know that their cloture motion on the Kennedy amendment has no chance of success, given its political purposes, and that this bill consequently will be returned to the calendar. Though we still have some slim hope a compromise might be reached that will allow the Presidio bill to be passed on its merits, it appears at this moment as though our Democratic colleagues have managed to kill one of the most important environmental initiatives of the 104th Congress, for no other reason than it happened to be on the floor when Democrats wanted to show their fealty to their union buddies.

The debate that has occurred on the Kennedy and Kerry amendments shows that Democrats also intend to use this issue for class-warfare presidential politics. We have heard numerous references to top executives at companies making large salaries and just as many attacks on Republicans, usually referencing the Majority Leader, for being against giving poor working Americans a raise. Our colleagues can play class-warfare all they want, but we believe that Americans rejected the Democrats' redistributionist philosophy in the last election and we believe they will do so again. In any event, we Republicans reject that philosophy. We believe that the best way to increase prosperity and wages is to reduce Government mandates and taxes. Most of us have gradually come to oppose placing artificial floors on wages, though this opposition is far from unanimous. We agree, however, that there are better solutions than more Government mandates. Balancing the budget, for example, would do more to raise the standard of living of poor Americans than any increase in the minimum wage ever could.

Many of us on this side of the aisle have worked for a living, both at the minimum wage and, later in our careers, as executives or business owners. Perhaps if we had acquired our wealth by means other than by earning it we would be as confused as some of our Democratic colleagues are as to the effect of the Federal Government telling employers how much they must pay their employees. Frankly, we find astonishing some of the comments that have been made, such as that raising the minimum wage will increase employment. Why, if that is so, instead of increasing it to \$5.15 per hour, we should raise it to \$20 per hour, or \$40, or \$100, or maybe we should just require employers to give their entry-level workers their own multi-million trust funds so they can retire and never have to work again.

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Our colleagues protest that they have seen studies that back their claims that making workers pay their employees more encourages them to hire more people, but we are not impressed. Further analysis of the last minimum-wage hike shows that more white kids dropped out of school to work full-time at the minimum wage, and that employment of uneducated blacks and hispanics decreased. Are these the results our colleagues want? Our colleagues may draw whatever conclusions they wish. We will note that many clever people can manipulate studies to "prove" virtually anything in economics, but common sense tells us that if the labor of someone is worth less than the minimum wage to a business, that business will not hire that person. Increasing the minimum wage to \$5.15 per hour will just lower the lowest rung of the economic ladder. All that increase will do is impose a Federal mandate that says that if someone's labor is worth less than \$5.15 per hour to a business, than the Federal Government has decided that that person may not work.

Democrats have flung about extremely strident rhetoric on how mean Republicans are for not rushing to increase the minimum wage to \$5.15 per hour, but the U.S. Senate cannot repeal the law of supply and demand. We suspect even some Democrats understand this fact, which may explain why they did not pass an increase when they held both Houses of Congress and the presidency. They have offered these amendments, secure in the knowledge that cloture will not be invoked and with every intention of trying to use this vote for their political gains. In the end, we are hopeful that the American people will see through this political stunt. For now, we urge rejection of the cloture motion.

Argument 2:

We support increasing the minimum wage but not on this bill. The issue should be considered separately, with full opportunity for debate and amendments. The Senate needs time to come to a full appreciation of such basic facts as who exactly receives the minimum wage before it votes on an increase. Right now, for example, opponents of a minimum wage say that 36 percent of its recipients are youths and 64 percent are adults because they define "youths" as being 16 years through 19 years of age. Opponents of an increase, on the other hand, say that 60 percent of recipients are "youths" because they use a definition of 16 years to 24 years of age. Both sides rhetorical statements are accurate because of the different definitions that they use. We need to get behind this rhetoric, and carefully work out a consensus approach. We certainly do not need to vote on a single, take-it-or-leave it approach with minimal debate on an unrelated bill. We look forwards to debating, and passing, an increase in the minimum wage, but we will not vote for such an increase on this parks bill.